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New Mexico Environment Department

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Water Protection Division

In November 2021, President Biden signed the Bipartisan Infrastructure Bill (BIL). The BIL provides for significant federal investments in transportation, broadband, water, and other types of infrastructure. In many programs, the increased funding will flow to states, tribes, and communities over five years, beginning in 2022.

In 2022, New Mexico will receive over \$63 million through the BIL for five water infrastructure programs:

- 1. Clean Water State Revolving Fund (CWSRF) supplemental (for wastewater, stormwater, and other eligible water quality infrastructure projects)
- 2. Clean Water Emerging Contaminants
- 3. Drinking Water State Revolving Fund (DWSRF) supplemental (for drinking water infrastructure)
- 4. Drinking Water Emerging Contaminants
- 5. Drinking Water Lead Service Line Replacement

For more information on water infrastructure and the BIL, see the U.S. Environmental Protection Agency's (EPA) guidance memo, available at https://www.epa.gov/system/files/documents/2022-03/combined srf-implementation-memo final 03.2022.pdf.

Timeline:

- Summer of 2022: The New Mexico Environment Department (NMED) and New Mexico Finance Authority (NMFA) will apply to the U.S. Environmental Protection Agency for DWSRF base and supplemental BIL funds.
- > Summer of 2022: The New Mexico Environment Department will apply for the CWSRF base and supplemental BIL funds.
- Ongoing: Applications for projects can be submitted at any time. Projects are reviewed for eligibility and necessary documentation. Applicants are encouraged to submit preliminary applications now.
- Quarterly: Projects with complete applications are ranked and placed on the Priority List.

CWSRF Basics:

- NMED administers the program.
- Open application cycle, and you can apply at any time.
- Beginning July 1, 2022, loan interest rates are between 0% and 0.01% for public borrowers, depending on your community's per capita income and user rates.
- The repayment period starts one year after project completion and the repayment period is calculated based on the useful life of the infrastructure constructed up to 30 years.
- There is no obligation to accept funding if you apply.
- The application for the CWSRF program is available HERE for FY2023.
- Contact the NMED team with your comments or questions at NMENV-cpbinfo@state.nm.us or 505-470-6385.

DWSRF Basics:

- NMED and the New Mexico Finance Authority (NMFA) jointly administer the program with NMFA acting as the fiscal agent for the DWSRF.
- Water systems can submit preliminary applications to NMED year-round to be reviewed for the quarterly Priority List.
- Applicants are required to meet minimum technical, managerial, and financial capacity.
- DWB can assist DWSRF applicants with capacity development in order to be eligible for these loans.
- Projects are rated with respect to six categories to determine their ranking and selection for funding: Source Water Vulnerability, Safe Drinking Water Act Compliance, Affordability, Regionalization and Water Efficiency Sustainability.
- The preliminary DWSRF application is available <u>HERE</u>.
- Contact the NMED team with your comments, questions, or if you need assistance with funding eligibility at NMENV-dwbfunding@state.nm.us or 505-231-2120.